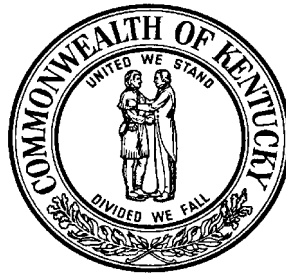


**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AGREED-UPON PROCEDURES ENGAGEMENT OF THE
KENTON COUNTY
PROPERTY VALUATION ADMINISTRATOR**

**For The Period July 1, 2001
Through January 29, 2003**



**EDWARD B. HATCHETT, JR.
AUDITOR OF PUBLIC ACCOUNTS
www.kyauditor.net**

**144 CAPITOL ANNEX
FRANKFORT, KY 40601
TELEPHONE (502) 564-5841
FACSIMILE (502) 564-2912**



EDWARD B. HATCHETT, JR.
AUDITOR OF PUBLIC ACCOUNTS

Dana Mayton, Secretary, Revenue Cabinet
Honorable Mark Vogt
Kenton County Property Valuation Administrator
Covington, Kentucky 41011

Independent Accountant's Report

We have performed the procedures enumerated below, which were agreed to by the Kenton County Property Valuation Administrator, solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and a sample of disbursements, and leases and contracts for the period of July 1, 2001 through January 29, 2003. This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Kenton County Property Valuation Administrator. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure-

Compare the budgeted statutory contribution of fiscal court to the legally required amounts calculated by the Revenue Cabinet. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the Property Valuation Administrator's local bank account.

Fiscal court paid the appropriate statutory contribution to the Property Valuation Administrator on a quarterly basis. These payments were properly deposited in the local official bank account. However; instead of paying the appropriate amounts to the Property Valuation Administrator for advertising, and the fall conference, the fiscal court paid for these expenses directly.

Client Response -

So noted.

Dana Mayton, Secretary, Revenue Cabinet
Honorable Mark Vogt
Kenton County Property Valuation Administrator
(Continued)

2. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets.

Finding -

Proper purchasing procedures were followed for capital outlay expenditures and supporting documentation was available. Auditor verified the location of all newly purchased capital assets

Client Response -

So noted.

3. Procedure -

Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

Recorded city receipts agree with confirmations and all appropriate cities are included on the Property Valuation Administrator's records. However; there were four cities that did not respond to the confirmations and auditor used other procedures to ensure the accuracy of the recorded city receipts.

Client Response -

So noted.

4. Procedure -

Determine if Property Valuation Administrator has a receipts ledger, a disbursements ledger, and reconciles bank records to books each month.

Finding -

The Property Valuation Administrator does maintain a receipts ledger, a disbursements ledger, and reconciles bank records to books each month.

Client Response -

So noted.

Dana Mayton, Secretary, Revenue Cabinet
Honorable Mark Vogt
Kenton County Property Valuation Administrator
(Continued)

5. Procedure -

Select a sample of disbursements from available Property Valuation Administrator's records and agree amounts to cancelled checks, paid invoices, or other supporting documentation. Determine if the expenditure is for official business.

Finding -

Selected disbursements had proper supporting documentation and all were for official business.

Client Response -

So noted.

6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

There did not appear to be any vehicle lease agreements, personal service contracts, and professional service contracts. However the Property Valuation Administrator's rental agreements for office equipment appeared appropriate. The Property Valuation Administrator did pay the fiscal court a fee for computer/networking services; however there was no written contract. We recommend that the Property Valuation administrator enter into a written contract with the fiscal court for computer/networking.

Client Response -

So noted.

Dana Mayton, Secretary, Revenue Cabinet
Honorable Mark Vogt
Kenton County Property Valuation Administrator
(Continued)

We were not engaged to, and did not perform an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion or limited assurance. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Property Valuation Administrator and the Revenue Cabinet and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ed Hatchett", with a long horizontal flourish extending to the right.

Edward B. Hatchett, Jr.
Auditor of Public Accounts

Engagement fieldwork completed -
January 29, 2003

